

Message Text

UNCLASSIFIED

PAGE 01 BRUSSE 07532 181705Z
ACTION EUR-12

INFO OCT-01 ISO-00 PM-05 NSC-05 SP-02 SS-15 CIAE-00
DODE-00 INR-10 NSAE-00 PA-02 ICA-20 EB-08 TRSE-00
OMB-01 /081 W

-----061310 191951Z /72

R 181644Z APR 77
FM AMEMBASSY BRUSSELS
TO SECSTATE WASHDC 6080
INFO USMISSION USNATO
AMEMBASSY PARIS

UNCLAS BRUSSELS 07532

PARIS FOR USOECD; ALSO FOR USEC

E.O. 11652: N/A
TAGS: EFIN, BE
SUBJECT: ADDITIONAL BUDGET DETAILS OF APRIL 12
TINDEMANS STATEMENT

REF: (A) BRUSSELS A-93; (B) BRUSSELS 7114

1. IN ADDITION TO PROMISING A CRISIS BILL BY LATE MAY TO REFORM THE STRUCTURE OF THE NATIONAL OPERATING BUDGET (REF B), PRIME MINISTER TINDEMANS' APRIL 12 STATEMENT TO PARLIAMENT ANNOUNCED THE FOLLOWING SPECIFIC MEASURES TO LIMIT THE 1978 CURRENT DEFICIT:

A. AFTER PARING, 1978 SUPPLEMENTAL EXPENSES (I.E. OVER AND ABOVE THOSE PROJECTED IN THE BUDGET SUBMISSION LAST FALL) WILL TOTAL AN ESTIMATED BF 12 BILLION. BF 9 BILLION OF THIS IS DUE TO HIGHER-THAN-EXPECTED UNEMPLOYMENT COMPENSATION.

B. TO MAINTAIN THE DEFICIT AT BF 65 BILLION, THESE ADDITIONAL CHARGES ARE TO BE DEFRAIDED BY (1) AN ACROSS-
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BRUSSE 07532 181705Z

THE-BOARD TWO PERCENT CUT IN ALL MINISTERIAL AND QUASI-OFFICIAL BUDGETS (TINDEMANS ADMITTED, HOWEVER, THAT THIS MIGHT BE A PRACTICAL IMPOSSIBILITY IN SOME CASES);(2) FUNCTIONAL CUTS IN ALL NATIONAL ENTITIES IN THEIR BUDGETS FOR CONSUMABLES (FIVE PERCENT), EQUIPMENT (TEN PERCENT) AND FOREIGN TRAVEL (TWENTY PERCENT); (3) NO SUBSIDY IN-

CREASES, OTHER THAN THOSE WHICH ARE MANDATORY, ABOVE 1977
LEVELS. THIS MAY INCREASE TARIFFS IN MANY PUBLIC
SERVICES.

2. THE PRESS REMAINS GENERALLY SKEPTICAL THAT THE GOVERN-
MENT CAN HOLD THE 1978 CURRENT DEFICIT TO BF 65
BILLION. THERE IS DOUBT THAT THE SPENDING CUTS WILL REALLY
AMOUNT TO MUCH. OBSERVERS ALSO PREDICT A LOWER NOMINAL
GNP GROWTH AND THUS A GREATER SHORTFALL IN RECEIPTS THAN
THAT ANNOUNCED IN FEBRUARY BY FINANCE MINISTER GEENS (SEE
BRUSSELS 3150). OLSEN

UNCLASSIFIED

NNN

*** Current Handling Restrictions *** n/a

*** Current Classification *** UNCLASSIFIED

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BUDGETS, SPEECHES
Control Number: n/a
Copy: SINGLE
Draft Date: 18 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BRUSSE07532
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Expiration:
Film Number: D780168-0172
Format: TEL
From: BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197804105/aaaafilz.tel
Line Count: 77
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON MICROFILM, TEXT ON-LINE
Message ID: ac6f35a6-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 BRUSSELS A-93, 78 BRUSSELS 7114
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2828004
Secure: OPEN
Status: <DBA CORRECTED> jms 970818
Subject: ADDITIONAL BUDGET DETAILS OF APRIL 12 TINDEMANS STATEMENT
TAGS: EFIN, BE, (TINDEMANS, LEO)
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/ac6f35a6-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014